

Before the
POSTAL REGULATORY COMMISSION
Washington, DC 20268-0001

Mail Processing Network :
Rationalization Service : Docket No. N2012-1
Changes, 2012 :

GREETING CARD ASSOCIATION INTERROGATORIES TO
THE UNITED STATES POSTAL SERVICE

Pursuant to Rules 25 and 26 of the Commission's Rules of Practice, the
Greeting Card Association herewith submits interrogatories and requests for pro-
duction of documents; specifically:

Institutional interrogatories to the Postal Service:

GCA/USPS-6 to -8

The term "documents" includes, without limitation, letters, telegrams,
memoranda, reports, studies, articles from periodicals, speeches, testimonies,
books, pamphlets, tabulations, and workpapers. In terms of format, "documents"
includes written or printed records and disks, tapes, or other recorded media (to-
gether with such written material as is necessary to understand and use such
disks, tapes, or other media).

December 30, 2011

Respectfully submitted,

GREETING CARD ASSOCIATION

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GCA/USPS-6

(a) Is there a correlation within any locale or area served by a P & DC, an SCF, or a facility that performs DBCS, between the per capita amount of First-Class mail sent and the per capita amount of Standard mail sent? (For example, a correlation showing that households receiving more First-Class Mail tend to receive more Standard mail and vice versa?)

(b) If your answer to (a) is other than an unqualified "no," please state the Postal Service's view as to whether the correlation is (i) positive or negative, and (ii) strong or weak.

GCA/USPS-7

(a) The Postal Service has stated in testimony in this case that the current mail processing network was designed for or around First Class Mail. Please explain in detail how the current system, and P & DCs in particular, are designed for First-Class Mail, as opposed to Standard mail.

(b) (i) Is it Postal Service policy that Standard Mail, not First-Class Mail, is to be its major focus in the future?

(ii) If your answer to (i) is not an unqualified "no," please explain fully how, and to what extent, the choice of what processing plants to close is based on the goal to improve the mail processing network for Standard mail.

GCA/USPS-8

(a) Please confirm that that the price of a postal product, P_i , should equal its marginal utility, V_i , (value) to the buyer, according to microeconomic theory under competitive conditions? If you do not confirm, please explain why.

(b) Please confirm that if there is a change in that product that reduces its marginal utility or value to the consumer to V_j , where $V_j < V_i$, that a new equilibri-

um is only reached after the price of the product moves in the direction of $P_j < P_i$ until $P_j = V_j$? If you do not confirm, please explain why.